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BEFORE THE ARIZONA CORPORATION COMPENSION
AZ CORP COMMISSION

DOCKET CONTROL

2016 NOV 21 P 2: 32

DOUG LITTLE - Chairman

BOB STUMP

BOB BURNS

TOM FORESE ANDY TOBIN

In the matter of:

COVERLUGG LLC, an Arizona limited liability company,

FONEFACE, LLC, an Arizona limited liability company,

BIRDIE MEDIA LLC, an Arizona limited liability company,

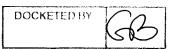
GREGORY J. SANCHEZ and JILL K. SANCHEZ, husband and wife,

Respondents.

DOCKET NO. S-20984A-16-0315

Arizona Corporation Commission DOCKETED

NOV 2 1 2016



(Schedules Hearing)

BY THE COMMISSION:

On September 9, 2016, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order to Cease and Desist, for Restitution, for Administrative Penalties, and for Other Affirmative Action ("Notice") against CoverLugg, LLC, FoneFace, LLC, Birdie Media, LLC, and Gregory J. Sanchez and Jill K. Sanchez (collectively "Respondents"), in which the Division alleged violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts and/or membership interests.

The spouse of Gregory J. Sanchez, Jill K. Sanchez ("Respondent Spouse"), is joined in the action pursuant to A.R.S. § 44-2031(C) solely for the purpose of determining the liability of the marital community.

Respondents were duly served with copies of the Notice.

On October 17, 2016, Gregory J. Sanchez filed a Request for Hearing pursuant to Arizona Administrative Code ("A.A.C.") R14-4-306.

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On October 18, 2016, a Procedural Order was issued regarding consent to email service.

Also on October 18, 2016, by Procedural Order, a pre-hearing conference was scheduled to commence on November 21, 2016.

On November 21, 2016, the pre-hearing conference was held as scheduled. The Division appeared through counsel. Respondent Gregory J. Sanchez appeared on his own behalf. The scheduling of a hearing date was discussed.

Accordingly, a hearing should be scheduled.

IT IS THEREFORE ORDERED that a hearing shall be held commencing on April 17, 2017, at 10:00 a.m., at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1, Phoenix, Arizona.

IT IS FURTHER ORDERED that the parties shall also reserve April 18-21, and 24-26, 2017, for additional days of hearing, if necessary.

IT IS FURTHER ORDERED that the Division and Respondents shall exchange copies of their Witness Lists and copies of the Exhibits by March 17, 2017, with courtesy copies provided to the presiding Administrative Law Judge.

IT IS FURTHER ORDERED that if the parties reach a resolution of the issues raised in the Notice prior to the hearing, the Division shall file a Motion to Vacate the Proceeding.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized Communications) is in effect and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules 31, 38 and 39, and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the Rules of the Arizona Supreme Court). Representation before the Commission includes appearances at all hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled for discussion, unless counsel has previously been granted permission to withdraw by the Administrative Law Judge or the Commission.

IT IS FURTHER ORDERED that each party or prospective party shall refer to the Procedural Order Regarding Consent to Email Service issued in this matter on October 18, 2016, for additional information regarding the process to consent to service by email. Information regarding Consent to Email Service is also available on the Commission's website (www.azcc.gov) by clicking on "Email Service Consent."

IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this day of November, 2016.

MARK PRENY ADMINISTRATIVE LAW JUDGE

On this 21 day of November, 2016, the foregoing document was filed with Docket Control as a 1 Procedural Order – Sets a Hearing, and copies of the foregoing were mailed on behalf of the Hearing Division to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service. 3 4 Gregory J. Sanchez 2223 West Pecos Road, #8 5 Chandler, AZ 85224 6 Matthew Neubert, Director Securities Division ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, AZ 85007 MN@azcc.gov Consented to Service by Email 10 COASH & COASH, INC. Court Reporting, Video and Videoconferencing 11 1802 North 7th Street Phoenix, AZ 85006 12 13 By: 14 Rebecca Tallman Assistant to Mark Preny 15 16 17 18 19 20 21 22 23 24 25 26 27

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